

Roads to Success is a new program designed to help middle and high school students prepare for their futures. This newsletter will keep you posted on what we're doing in school, and how families can follow through at home.

For more information about Roads to Success, please visit our website: www.roadstosuccess.org

Did you know?

An \$8,000 credit card debt, at a rate of 18% interest, will take over 18 years to pay off and cost more than \$27,000 if you pay only the minimum amount of \$125 each month.

<http://www.practicalmoneyskills.com> (online calculator)

Managing Money

A part-time job can give your child a new sense of financial freedom. It may be the first time that he has his own money and choices about how to spend it. This is a great time to show him how to make smart money decisions. Here are some ideas about where to begin:

Budgeting Basics:

Help your child develop a budget to save and spend wisely. Talk with her to figure out what her big goals are. If she wants to save for a computer or for college, help her figure out a reasonable amount to set aside each week to reach her goal. While saving needs to

be a priority, some money should be left over for fun.

Keeping Track of Your Money:

Students interested in open-



ing savings and checking accounts will need to know how to keep track of deposits and withdrawals. Show your child how you keep track of this information using savings pass-

books, check registers, or online banking.

The Real Costs of Credit:

Credit cards can be useful tools for managing money, but their misuse can cause financial hardship. Explain how credit cards work and what happens if a customer doesn't pay a bill on time. Let your child know that finance charges and late fees can cause consumers to spend a lot more on products than they originally cost.

Resources:

For more information, check out these websites:

- www.360financialliteracy.org
- www.practicalmoneyskills.com

Grade by Grade

In tenth grade, students in Roads to Success participate in five real-life lessons on managing money. In this unit students take on the role of a high school senior preparing for life after graduation. Here is what they will learn:

- **Budgeting:** Students calculate their take-home income from a summer job, then create a budget that allows them to save for college with money left over for day-to-day expenses.
- **Banking:** Students examine the difference between a savings and a checking account. They practice using a checkbook register and analyzing online bank statements.
- **Credit Cards:** After examining the dangers of credit card debt for recent college graduates, students learn about the advantages and disadvantages of credit cards.
- **Contracts:** Students examine cell phone plans to identify best values and hidden costs.